



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
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TO: Each Supervisor
Robin Kay, Ph.D.
FROM: Robin Kay, Ph.D.
Acting Director

SUBJECT: **BOARD NOTIFICATION OF MID-YEAR ADJUSTMENT TO
DEPARTMENT OF MENTAL HEALTH'S MENTAL HEALTH SERVICES
ACT ANNUAL UPDATE FOR FISCAL YEAR 2015-16**

This is to advise your Board that the Department of Mental Health (DMH) has amended the Mental Health Services Act's (MHSA) Annual Update for Fiscal Year (FY) 2015-16 through a mid-year adjustment.

BACKGROUND

Assembly Bill (AB) 1467, chaptered into law on June 27, 2012, implemented changes to the MHSA legislation requiring adoption of the Three-Year Program and Expenditure Plan and Annual Updates by the County Board of Supervisors. The MHSA regulations also stipulate that Counties may engage in mid-year planning resulting in mid-year adjustments to either the most recent Three-Year Program and Expenditure Plan or its Annual Update through a stakeholder approved plan and a 30-day public posting. Board adoption is not required for mid-year adjustments.

FACTS AND PROVISIONS

DMH obtained your Board's adoption of the MHSA Three-Year Program and Expenditure Plan for FYs 2014-15 to 2016-17 on July 15, 2014, and the Annual Update for FY 2015-16 on October 13, 2015. The Annual Update for FY 2015-16 updated, or replaced, FY 2015-16 and FY 2016-17 programs and allocations in the MHSA Three-Year Program and Expenditure Plan. These Board letters complied with AB 1467.

After the planning and approval process for the Annual Update for FY 2015-16 was well underway, DMH engaged in additional planning for a mid-year adjustment to expand MHSA mental health services to (1) fully implement the Innovations 2 Plan (Innovations 2) that will focus on trauma in communities, and (2) utilize one-time MHSA funds accumulated from increased allocations and program expansion implementation delays, for five fiscal years, until the MHSA annual allocation increases enough to maintain the expansion. These plans will amend the MHSA Annual Update for FY 2015-16 via a mid-year adjustment.

PURPOSE

As a result of the adopted MHSA Three-Year Program and Expenditure Plan and the Annual Update for FY 2015-16, DMH is informing your Board of a mid-year adjustment that has further expanded these plans.

Innovations 2, which was approved by the System Leadership Team (SLT) on February 18, 2015, was posted on DMH's website for a 30-day public comment (the file may be accessed at http://file.lacounty.gov/dmh/cms1_224873.pdf). Innovations 2 is funded by \$23 million in MHSA funds and leverages \$69 million, for an annual total gross program of \$92 million for FYs 2016-17 through 2019-20. Innovations 2 includes the addition of six full-time equivalent (FTE) positions and contracted services.

The expansion of the MHSA Community Services and Supports (CSS) Plan approved by the SLT on June 17, 2015, was posted on DMH's website for a 30-day public comment (the file may be accessed at http://file.lacounty.gov/dmh/cms1_230743.pdf). This expansion allocated \$84 million of MHSA funds and leveraged \$174 million for an annual total gross expansion of MHSA services of \$258 million.

DMH will return to your Board in February 2016 to request hiring and contracting authority, as applicable, to implement this mid-year adjustment.

RK:DM:DIG:KN:sk

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